



QUARTERLY STATEMENT  
AS OF June 30, 2006  
OF THE CONDITION AND AFFAIRS OF THE  
Health Plan of Michigan, Inc.

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	52563	Employer's ID Number	38-3253977
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ] Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ] Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]					
Incorporated/Organized	12/31/1995		Commenced Business	12/31/1995		
Statutory Home Office	17515 W. Nine Mile Road, Suite 500 (Street and Number)		Southfield, MI 48075 (City, or Town, State and Zip Code)			
Main Administrative Office	17515 W. Nine Mile Road, Suite 650 (Street and Number)		Southfield, MI 48075 (City or Town, State and Zip Code)	(248)557-3700 (Area Code) (Telephone Number)		
Mail Address	17515 W.Nine Mile Road, Suite 500 (Street and Number or P.O. Box)		Southfield, MI 48075 (City, or Town, State and Zip Code)			
Primary Location of Books and Records	Same, (City, or Town, State and Zip Code)		Same (Street and Number)	(248)557-3700 (Area Code) (Telephone Number)		
Internet Website Address	www.hpmich.com					
Statutory Statement Contact	Jon B. Cotton (Name) jcotton@hpmich.com (E-Mail Address)		(248)204-6011 (Area Code)(Telephone Number)(Extension) (248)557-4638 (Fax Number)			
Policyowner Relations Contact	Southfield, MI 48075 (City, or Town, State and Zip Code)		17515 W. Nine Mile Road, Suite 650 (Street and Number)	(248)557-3700 (Area Code) (Telephone Number)(Extension)		

OFFICERS

Name	Title
David B. Cotton M.D.	President/CEO
Thomas Lauzon	Secretary/CIO
Janice Torosian	Treasurer/CFO

OTHERS

DIRECTORS OR TRUSTEES

Thomas LauzonGeorge Ellis  
Melanie Shearman

State of Michigan  
County of Oakland ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) David B. Cotton, M.D. (Printed Name) President (Title)	(Signature) Thomas Lauzon (Printed Name) Secretary (Title)	(Signature) Janice Torosian (Printed Name) Treasurer (Title)
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Subscribed and sworn to before me this day of , 2006	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[ ]   
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(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds .....	9,675,614		9,675,614	9,075,360
2.	Stocks:				
2.1	Preferred stocks .....	439,548		439,548	452,365
2.2	Common stocks .....				
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$..... encumbrances) .....				53,631
4.2	Properties held for the production of income (less \$..... encumbrances) .....				521,924
4.3	Properties held for sale (less \$..... encumbrances) .....				
5.	Cash (\$.....27,478,715), cash equivalents (\$.....) and short-term investments \$.....10,000,000) .....	37,478,715		37,478,715	33,376,172
6.	Contract loans (including \$..... premium notes) .....				
7.	Other invested assets .....	6,987,720		6,987,720	6,564,786
8.	Receivables for securities .....				
9.	Aggregate write-ins for invested assets .....				
10.	Subtotals, cash and invested assets (Lines 1 to 9) .....	54,581,597		54,581,597	50,044,238
11.	Title plants less \$..... charged off (for Title insurers only) .....				
12.	Investment income due and accrued .....	99,555		99,555	89,867
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection .....				
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums) .....				
13.3	Accrued retrospective premiums .....				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers .....				
14.2	Funds held by or deposited with reinsured companies .....				
14.3	Other amounts receivable under reinsurance contracts .....				
15.	Amounts receivable relating to uninsured plans .....				
16.1	Current federal and foreign income tax recoverable and interest thereon .....				
16.2	Net deferred tax asset .....	117,000		117,000	117,000
17.	Guaranty funds receivable or on deposit .....				
18.	Electronic data processing equipment and software .....				290,335
19.	Furniture and equipment, including health care delivery assets (\$.....) .....				47,211
20.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
21.	Receivables from parent, subsidiaries and affiliates .....				
22.	Health care (\$.....) and other amounts receivable .....	773,511		773,511	1,136,539
23.	Aggregate write-ins for other than invested assets .....	630,766	617,214	13,552	13,552
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	56,202,429	617,214	55,585,215	51,738,742
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26.	TOTAL (Lines 24 and 25) .....	56,202,429	617,214	55,585,215	51,738,742
DETAILS OF WRITE-INS					
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....				
2301.	Deposits .....	13,552		13,552	13,552
2302.	Acquired Membership Value .....	796,110	796,110		
2303.	Long Term Investment Fair Value Adjustment .....	(188,336)	(188,336)		
2398.	Summary of remaining write-ins for Line 23 from overflow page .....	9,440	9,440		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	630,766	617,214	13,552	13,552

**LIABILITIES, CAPITAL AND SURPLUS**

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded) .....	16,878,707		16,878,707	17,415,623
2.	Accrued medical incentive pool and bonus amounts .....	665,000		665,000	749,352
3.	Unpaid claims adjustment expenses .....	306,468		306,468	417,000
4.	Aggregate health policy reserves .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserve .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....				
9.	General expenses due or accrued .....	3,428,730		3,428,730	2,661,383
10.1	Current federal and foreign income tax payable and interest thereon (including \$..... on realized gains (losses)) .....	(460,384)		(460,384)	415,000
10.2	Net deferred tax liability .....				
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....				
16.	Payable for securities .....				
17.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers) .....				
18.	Reinsurance in unauthorized companies .....				
19.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
20.	Liability for amounts held under uninsured plans .....				
21.	Aggregate write-ins for other liabilities (including \$..... current) .....				
22.	Total liabilities (Lines 1 to 21) .....	20,818,521		20,818,521	21,658,358
23.	Aggregate write-ins for special surplus funds .....	X X X	X X X		
24.	Common capital stock .....	X X X	X X X	44,700	44,700
25.	Preferred capital stock .....	X X X	X X X		
26.	Gross paid in and contributed surplus .....	X X X	X X X	251,363	251,363
27.	Surplus notes .....	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
29.	Unassigned funds (surplus) .....	X X X	X X X	34,470,632	29,784,321
30.	Less treasury stock, at cost:				
30.1	..... shares common (value included in Line 24 \$.....) .....	X X X	X X X		
30.2	..... shares preferred (value included in Line 25 \$.....) .....	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30) .....	X X X	X X X	34,766,695	30,080,384
32.	Total Liabilities, capital and surplus (Lines 22 and 31) .....	X X X	X X X	55,585,216	51,738,742
DETAILS OF WRITE-INS					
2101.	.....				
2102.	.....				
2103.	.....				
2198.	Summary of remaining write-ins for Line 21 from overflow page .....				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above) .....				
2301.	.....	X X X	X X X		
2302.	.....	X X X	X X X		
2303.	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page .....	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	X X X	X X X		
2801.	.....	X X X	X X X		
2802.	.....	X X X	X X X		
2803.	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page .....	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above) .....	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
1.	Member Months .....	X X X .....	615,579	548,603
2.	Net premium income (including \$..... non-health premium income) .....	X X X .....	102,782,438	93,456,686
3.	Change in unearned premium reserves and reserves for rate credits .....	X X X .....		
4.	Fee-for-service (net of \$..... medical expenses) .....	X X X .....		
5.	Risk revenue .....	X X X .....		
6.	Aggregate write-ins for other health care related revenues .....	X X X .....	(6,582,259)	(5,940,818)
7.	Aggregate write-ins for other non-health revenues .....	X X X .....		
8.	Total revenues (Lines 2 to 7) .....	X X X .....	96,200,179	87,515,868
Hospital and Medical:				
9.	Hospital/medical benefits .....		52,980,751	49,756,118
10.	Other professional services .....		619,499	520,957
11.	Outside referrals .....		6,358,511	4,304,261
12.	Emergency room and out-of-area .....		3,188,901	2,649,671
13.	Prescription drugs .....		16,850,247	14,959,446
14.	Aggregate write-ins for other hospital and medical .....		48,862	39,676
15.	Incentive pool, withhold adjustments and bonus amounts .....		1,632,685	873,987
16.	Subtotal (Lines 9 to 15) .....		81,679,456	73,104,116
Less:				
17.	Net reinsurance recoveries .....		48,843	66,073
18.	Total hospital and medical (Lines 16 minus 17) .....		81,630,613	73,038,043
19.	Non-health claims (net) .....			
20.	Claims adjustment expenses, including \$..... cost containment expenses .....		424,799	423,228
21.	General administrative expenses .....		7,178,461	6,076,484
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only) .....			
23.	Total underwriting deductions (Lines 18 through 22) .....		89,233,873	79,537,755
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	6,966,306	7,978,113
25.	Net investment income earned .....		1,029,090	497,547
26.	Net realized capital gains (losses) less capital gains tax of \$..... (24,340) .....			
27.	Net investment gains or (losses) (Lines 25 plus 26) .....		1,004,750	497,547
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)] .....			
29.	Aggregate write-ins for other income or expenses .....			26,862
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	7,971,056	8,502,522
31.	Federal and foreign income taxes incurred .....	X X X .....	2,774,616	2,890,857
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	5,196,440	5,611,665
DETAILS OF WRITE-INS				
0601.	Quality Assurance Fee .....	X X X .....	(5,979,848)	(5,401,487)
0602.	MI Primary Care Association Assessment .....	X X X .....	(602,411)	(539,331)
0603.	.....	X X X .....		
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....	(6,582,259)	(5,940,818)
0701.	.....	X X X .....		
0702.	.....	X X X .....		
0703.	.....	X X X .....		
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....		
1401.	Hearing/Speech devices .....		48,862	39,676
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page .....			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....		48,862	39,676
2901.	Copying Fee .....			12
2902.	Rental Income .....			26,850
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page .....			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....			26,862

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year .....	30,080,385	20,448,033	20,448,035
34.	Net income or (loss) from Line 32 .....	5,196,440	5,611,665	12,953,446
35.	Change in valuation basis of aggregate policy and claim reserves .....			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....	249,752	214,438	345,360
37.	Change in net unrealized foreign exchange capital gain or (loss) .....			
38.	Change in net deferred income tax .....			228,000
39.	Change in nonadmitted assets .....	774,432	(122,620)	105,544
40.	Change in unauthorized reinsurance .....			
41.	Change in treasury stock .....			
42.	Change in surplus notes .....			
43.	Cumulative effect of changes in accounting principles .....			
44.	Capital Changes:			
44.1	Paid in .....			
44.2	Transferred from surplus (Stock Dividend) .....			
44.3	Transferred to surplus .....			
45.	Surplus adjustments:			
45.1	Paid in .....			
45.2	Transferred to capital (Stock Dividend) .....			
45.3	Transferred from capital .....			
46.	Dividends to stockholders .....			(4,000,000)
47.	Aggregate write-ins for gains or (losses) in surplus .....	(1,534,314)		
48.	Net change in capital and surplus (Lines 34 to 47) .....	4,686,310	5,703,483	9,632,350
49.	Capital and surplus end of reporting period (Line 33 plus 48) .....	34,766,695	26,151,516	30,080,385
DETAILS OF WRITE-INS				
4701.	Property Dividend to Stockholders .....	(1,534,314)		
4702.	0 .....			
4703.	0 .....			
4798.	Summary of remaining write-ins for Line 47 from overflow page .....			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	(1,534,314)		

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance .....	96,200,179	180,127,438
2.	Net investment income .....	1,187,408	1,617,819
3.	Miscellaneous income .....		
4.	Total (Lines 1 through 3) .....	97,387,587	181,745,257
5.	Benefit and loss related payments .....	82,251,881	144,246,559
6.	Net transfers to Separate, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	6,860,243	13,070,300
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) \$..... net of tax on capital gains (losses) .....	3,650,000	7,674,963
10.	Total (Lines 5 through 9) .....	92,762,124	164,991,822
11.	Net cash from operations (Line 4 minus Line 10) .....	4,625,463	16,753,435
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....	1,298,340	190,000
12.2	Stocks .....	9,009	
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....	1,307,349	190,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....	2,087,617	5,024,191
13.2	Stocks .....		85,012
13.3	Mortgage loans .....		
13.4	Real estate .....		140,712
13.5	Other invested assets .....	53,521	2,500,000
13.6	Miscellaneous applications .....	119,650	2,590
13.7	Total investments acquired (Lines 13.1 to 13.6) .....	2,260,788	7,752,505
14.	Net increase (or decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14) .....	(953,439)	(7,562,505)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		4,000,000
16.6	Other cash provided (applied) .....	430,519	559,765
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	430,519	(3,440,235)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	4,102,543	5,750,695
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	33,376,172	27,625,477
19.2	End of period (Line 18 plus Line 19.1) .....	37,478,715	33,376,172

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001	.....		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1  Total	Comprehensive (Hospital & Medical)		4  Medicare Supplement	5  Vision Only	6  Dental Only	7  Federal Employees Health Benefit Plan	8  Title XVIII Medicare	9  Title XIX Medicaid	10  Stop Loss	11  Disability Income	12  Long-Term Care	13  Other
		2  Individual	3  Group										
Total Members at end of:													
1. Prior Year .....	100,349								100,349				
2. First Quarter .....	102,986								102,986				
3. Second Quarter .....	102,403								102,403				
4. Third Quarter .....													
5. Current Year .....													
6. Current Year Member Months .....	615,579								615,579				
Total Member Ambulatory Encounters for Period:													
7. Physician .....	469,415								469,415				
8. Non-Physician .....	431,645								431,645				
9. Total .....	901,060								901,060				
10. Hospital Patient Days Incurred .....	14,182								14,182				
11. Number of Inpatient Admissions .....	4,120								4,120				
12. Health Premiums Written .....	103,101,770								103,101,770				
13. Life Premiums Direct .....													
14. Property/Casualty Premiums Written .....													
15. Health Premiums Earned .....	102,782,438								102,782,438				
16. Property/Casualty Premiums Earned .....													
17. Amount Paid for Provision of Health Care Services ...	82,251,883								82,251,883				
18. Amount Incurred for Provision of Health Care Services .....	81,679,456								81,679,456				

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
RX America - Pharmacy .....	1,746,599					1,746,599
0199999 Individually Listed Claims Unpaid .....	1,746,599					1,746,599
0299999 Aggregate Accounts Not Individually Listed - Uncovered ....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	115,197					115,197
0499999 Subtotals .....	1,861,796					1,861,796
0599999 Unreported claims and other claim reserves .....						15,016,911
0699999 Total Amounts Withheld .....						
0799999 Total Claims Unpaid .....						16,878,707
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						665,000



**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical) .....						
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....						
7.	Title XIX - Medicaid .....	13,729,740	67,205,106	4,102,883	12,775,822	17,832,623	17,415,623
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	13,729,740	67,205,106	4,102,883	12,775,822	17,832,623	17,415,623
10.	Healthcare receivables (a) .....		400,000				
11.	Other non-health .....						
12.	Medical incentive pools and bonus amounts .....	974,387	742,650		665,000	974,387	749,352
13.	TOTALS .....	14,704,127	67,547,756	4,102,883	13,440,822	18,807,010	18,164,975

(a) Excludes \$.373,511 loans or advances to providers not yet expensed.

# Notes to Financial Statement

There have been no material changes since the annual filing.

- Note 1 - Summary of Significant Accounting Policies - no change
- Note 2 - Accounting Changes and Corrections of Errors - no change
- Note 3 - Business Combinations and Goodwill - this note is not applicable to the Company
- Note 4 - Discontinued Operations - this note is not applicable to the Company
- Note 5 - Investments - this note is not applicable to the Company
- Note 6 - Joint Ventures, Partnerships and Limited Liability Companies - no change
- Note 7 - Investment Income - this note is not applicable to the Company
- Note 8 - Derivative Instruments - this note is not applicable to the Company
- Note 9 - Income Taxes - no change
- Note 10 - Information Concerning Parent, Subsidiaries and Affiliates - no change
- Note 11 - Debt - no change
- Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences, and Other Postretirement Benefit Plans - this note is not applicable to the Company
- Note 13 - Capital and Surplus, Stockholders Dividend Restrictions, and Quasi Reorganizations - no change
- Note 14 - Contingencies - no change
- Note 15 - Leases - no change
- Note 16 - Information About Financial Instruments with Off-balance sheet Risk and Financial Instruments with Concentrations of Credit Risk - this note is not applicable to the Company
- Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - this note is not applicable to the Company
- Note 18 - Gain or Loss to the Reporting Entity from Uninsured A&H Plans and Uninsured Portion of Partially Insured Plans - this note is not applicable to the Company
- Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - this note is not applicable to the Company
- Note 20 - September 11 Events - this note is not applicable to the Company
- Note 21 - Other Items - no change
- Note 22 - Events Subsequent - this note is not applicable to the Company
- Note 23 - Reinsurance - no change
- Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination - this note is not applicable to the Company
- Note 25 - Change in Incurred Claims and Claims Adjustment Expenses - no change
- Note 26 - Intercompany Pooling Arrangements - this note is not applicable to the Company
- Note 27 - Structured Settlements - this note is not applicable to the Company
- Note 28 - Health Care Receivables - no change
- Note 29 - Participating Policies - this note is not applicable to the Company
- Note 30 - Premium Deficiency Reserves - this note is not applicable to the Company
- Note 31 - Anticipated Salvage and Subrogation - no change

**GENERAL INTERROGATORIES**  
(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)  
**PART 1 - COMMON INTERROGATORIES**  
**GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?  
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[ ] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation.

Yes[ ] No[X] N/A[ ]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2004.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2004.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....10/03/2005.....
- 6.4 By what department or departments?  
State of Michigan Office of Financial and Insurance Services
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....	.....	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]

**FINANCIAL**

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....

**INVESTMENT**

- 10.1 Has there been any change in the reporting entity's own preferred or common stock?

Yes[ ] No[X]
- 10.2 If yes, explain:
- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....
13. Amount of real estate and mortgages held in short-term investments:

\$.....
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[ ] No[X]
- 14.2 If yes, please complete the following:

**GENERAL INTERROGATORIES (Continued)**

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Statement Value
14.21	Bonds .....		
14.22	Preferred Stock .....		
14.23	Common Stock .....		
14.24	Short-Term Investments .....		
14.25	Mortgages Loans on Real Estate .....		
14.26	All Other .....		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes[ ] No[X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes[ ] No[ ] N/A[X]

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[ ]

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
LaSalle Bank N.A. ....	2600 W. Big Beaver, MO900-150 Troy, MI 48084 ..

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....	.....	.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes[ ] No[X]

16.4 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....	.....	.....	.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
123286 .....	Roble Asset Management .....	200 Georgetowne Drive, Suite 200, Sewickley, PA 15143 .....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes[X] No[ ]

17.2 If no, list exceptions:

**SCHEDULE A - VERIFICATION**

**Real Estate**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	736,444	645,569
2.	Increase (decrease) by adjustment .....	(736,444)	(49,837)
3.	Cost of acquired .....		0
4.	Cost of additions to and permanent improvements .....		140,712
5.	Total profit (loss) on sales .....		
6.	Increase (decrease) by foreign exchange adjustment .....		
7.	Amount received on sales .....		
8.	Book/adjusted carrying value at end of current period .....	0	736,444
9.	Total valuation allowance .....		1
10.	Subtotal (Lines 8 plus 9) .....	0	736,445
11.	Total nonadmitted amounts .....		160,890
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) .....	0	575,555

**SCHEDULE B - VERIFICATION**

**Mortgage Loans**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year .....		
2.	Amount loaned during period:		
2.1	Actual cost at time of acquisitions .....		
2.2	Additional investment made after acquisitions .....		
3.	Accrual of discount and mortgage interest points and commitment fees .....		
4.	Increase (decrease) by adjustment .....		
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....		
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....		
12.	Total nonadmitted amounts .....		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) .....		

NONE

**SCHEDULE BA - VERIFICATION**

**Other Invested Assets**

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....	6,564,786	3,317,999
2.	Cost of acquisitions during period:		
2.1	Actual cost at time of acquisitions .....	53,521	2,500,000
2.2	Additional investment made after acquisitions .....		
3.	Accrual of discount .....		
4.	Increase (decrease) by adjustment .....	369,413	746,787
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book/adjusted carrying value of long-term invested assets at end of current period .....	6,987,720	6,564,786
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....	6,987,720	6,564,786
12.	Total nonadmitted amounts .....		
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) .....	6,987,720	6,564,786

**SCHEDULE D - VERIFICATION**

**Bonds and Stocks**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	9,527,550	5,055,053
2.	Cost of bonds and stocks acquired .....	2,087,617	5,109,203
3.	Accrual of discount .....	(5,411)	5,637
4.	Increase (decrease) by adjustment .....		
5.	Increase (decrease) by foreign exchange adjustment .....		
6.	Total profit (loss) on disposal .....	(24,351)	
7.	Consideration for bonds and stocks disposed of .....	1,307,349	190,000
8.	Amortization of premium .....	162,894	452,343
9.	Book/adjusted carrying value, current period .....	10,115,162	9,527,550
10.	Total valuation allowance .....		175
11.	Subtotal (Lines 9 plus 10) .....	10,115,162	9,527,725
12.	Total nonadmitted amounts .....		
13.	Statement value .....	10,115,162	9,527,725

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	19,786,908	1,024,465	1,041,064	(94,696)	19,786,908	19,675,613		19,075,360
2. Class 2 .....								
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. TOTAL Bonds .....	19,786,908	1,024,465	1,041,064	(94,696)	19,786,908	19,675,613		19,075,360
<b>PREFERRED STOCK</b>								
8. Class 1 .....	384,523			1,004	384,523	385,527		386,725
9. Class 2 .....	65,887		10,613	(1,253)	65,887	54,020		65,640
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. TOTAL Preferred Stock .....	450,410		10,613	(249)	450,410	439,547		452,365
15. TOTAL Bonds & Preferred Stock .....	20,237,318	1,024,465	1,051,677	(94,946)	20,237,318	20,115,160		19,527,725

**SCHEDULE DA - PART 1**

**Short - Term Investments Owned End of Current Quarter**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999. TOTALS .....	10,000,000	X X X	10,000,000	99,181	

**SCHEDULE DA - PART 2 - Verification**

**Short-Term Investments Owned**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	10,000,000	10,125,000
2.	Cost of short-term investments acquired .....		7,000,000
3.	Increase (decrease) by adjustment .....		
4.	Increase (decrease) by foreign exchange adjustment .....		
5.	Total profit (loss) on disposal of short-term investments .....		
6.	Consideration received on disposal of short-term investments .....		7,125,000
7.	Book/adjusted carrying value, current period .....	10,000,000	10,000,000
8.	Total valuation allowance .....		
9.	Subtotals (Lines 7 plus 8) .....	10,000,000	10,000,000
10.	Total nonadmitted amounts .....		
11.	Statement value (Lines 9 minus 10) .....	10,000,000	10,000,000
12.	Income collected during period .....	99,181	178,194
13.	Income earned during period .....	99,181	178,194

**15      Schedule DB Part F Section 1 ..... NONE**

**16      Schedule DB Part F Section 2 ..... NONE**



**SCHEDULE S - CEDED REINSURANCE**  
**Showing all new reinsurers-Current Year to Date**

1 NAIC Company Code	2 Federal ID Number	3  Name of Reinsurer	4  Location	5 Is Insurer Authorized? (Yes or No)
<b>Accident and health - non-affiliates</b>				
67105 .....	41-0451140 .....	RELIASTAR LIFE INS CO .....	Minneapolis, Minnesota .....	..... Yes[X] No[ ] .....

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**  
**Allocated by States and Territories**

		1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed (Yes or No)	Direct Business Only Year-to-Date					
				3  Accident and Health Premiums	4  Medicare Title XVIII	5  Medicaid Title XIX	6  Federal Employees Health Benefits Program Premiums	7  Life and Annuity Premiums and Deposit-Type Contract Funds	8  Property/ Casualty Premiums
State, Etc.									
1.	Alabama (AL)	No	No						
2.	Alaska (AK)	No	No						
3.	Arizona (AZ)	No	No						
4.	Arkansas (AR)	No	No						
5.	California (CA)	No	No						
6.	Colorado (CO)	No	No						
7.	Connecticut (CT)	No	No						
8.	Delaware (DE)	No	No						
9.	District of Columbia (DC)	No	No						
10.	Florida (FL)	No	No						
11.	Georgia (GA)	No	No						
12.	Hawaii (HI)	No	No						
13.	Idaho (ID)	No	No						
14.	Illinois (IL)	No	No						
15.	Indiana (IN)	No	No						
16.	Iowa (IA)	No	No						
17.	Kansas (KS)	No	No						
18.	Kentucky (KY)	No	No						
19.	Louisiana (LA)	No	No						
20.	Maine (ME)	No	No						
21.	Maryland (MD)	No	No						
22.	Massachusetts (MA)	No	No						
23.	Michigan (MI)	No	Yes			103,101,770			
24.	Minnesota (MN)	No	No						
25.	Mississippi (MS)	No	No						
26.	Missouri (MO)	No	No						
27.	Montana (MT)	No	No						
28.	Nebraska (NE)	No	No						
29.	Nevada (NV)	No	No						
30.	New Hampshire (NH)	No	No						
31.	New Jersey (NJ)	No	No						
32.	New Mexico (NM)	No	No						
33.	New York (NY)	No	No						
34.	North Carolina (NC)	No	No						
35.	North Dakota (ND)	No	No						
36.	Ohio (OH)	No	No						
37.	Oklahoma (OK)	No	No						
38.	Oregon (OR)	No	No						
39.	Pennsylvania (PA)	No	No						
40.	Rhode Island (RI)	No	No						
41.	South Carolina (SC)	No	No						
42.	South Dakota (SD)	No	No						
43.	Tennessee (TN)	No	No						
44.	Texas (TX)	No	No						
45.	Utah (UT)	No	No						
46.	Vermont (VT)	No	No						
47.	Virginia (VA)	No	No						
48.	Washington (WA)	No	No						
49.	West Virginia (WV)	No	No						
50.	Wisconsin (WI)	No	No						
51.	Wyoming (WY)	No	No						
52.	American Samoa (AS)	No	No						
53.	Guam (GU)	No	No						
54.	Puerto Rico (PR)	No	No						
55.	U.S. Virgin Islands (VI)	No	No						
56.	Northern Mariana Islands (MP)	No	No						
57.	Canada (CN)	No	No						
58.	Aggregate other alien (OT)	X X X	X X X						
59.	Subtotal	X X X	X X X			103,101,770			
60.	Reporting entity contributions for Employee Benefit Plans	X X X	X X X						
61.	Total (Direct Business)	X X X	(a) 1			103,101,770			
DETAILS OF WRITE-INS									
5801.		X X X	X X X						
5802.		X X X	X X X						
5803.		X X X	X X X						
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X						
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X						

(a) Insert the number of yes responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER**  
**MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

**Caidan Enterprises, Inc.** (Federal Employer Identification # 52-2422207)

Organization Governance and Ownership Structure:

Equity Shareholders

Shareholders at June 30, 2006: (only D. Cotton M.D. and T. Lauzon own voting shares of Caidan Enterprises, Inc. stock)

D. Cotton, M.D.	64%
J. Cotton	10% - Non Voting
S. Cotton	10% - Non Voting
M. Cotton	10% - Non Voting
T. Lauzon	6%
	100%

**Health Plan of Michigan, Inc.** (MI; NAIC # 52563; Federal Employer Identification # 38-3253977)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at June 30, 2006:

Caidan Enterprises, Inc. 100%

**Meridian Health Plan, Inc.** (IL, Federal Employer Identification # 20-3209671)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at June 30, 2006:

Caidan Enterprises, Inc. 100%

**Caidan Management Company** (MI, Federal Employer Identification # 36-4559356)

Organization Governance and Ownership Structure:

Equity Shareholders

Board of Directors

Shareholders at June 30, 2006:

**SCHEDULE Y - INFORMATION CONCERNING ACTI**  
**MEMBERS OF A HOLDING COMPANY GROU**  
**PART 1 - ORGANIZATIONAL CHART**

Caidan Enterprises, Inc. 100%

**Health Management, Inc.** (common ownership with Caidan Enterprises, Inc. majority stockholder)

(Federal Employer Identification # 38-3360283)

Shareholders at June 30, 2005: D. Cotton, M.D. 100%

OVERFLOW PAGE FOR WRITE-INS

ASSETS

	Current Statement Date			4  December 31, Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
2304. Pre-Paid Expenses .....	9,440	9,440		
2397. Summary of remaining write-ins for Line 23 (Lines 2304 through 2396) ....	9,440	9,440		

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year
4704. 0 .....			
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796) .....			

**E01      Schedule A Part 2 ..... NONE**

**E01      Schedule A Part 3 ..... NONE**

**E02      Schedule B Part 1 ..... NONE**

**E02      Schedule B Part 2 ..... NONE**

**E03      Schedule BA Part 1 ..... NONE**

**E03      Schedule BA Part 2 ..... NONE**

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
912828FH8 .....	Us Treasury Note .....	.....	.... 05/31/2006 ....	Lehman Brothers .....	.... X X X ....	..... 298,688	..... 300,000.00	..... 40	1FE .....
31396J5P6 .....	FHLMC REMIC .....	.....	.... 05/31/2006 ....	RBC Dain Rauscher .....	.... X X X ....	..... 289,172	..... 300,000.00	..... 167	1FE .....
3136F6TY5 .....	Federal Ntl Mtg .....	.....	.... 05/31/2006 ....	RBC Dain Rauscher .....	.... X X X ....	..... 241,580	..... 250,000.00	..... 3,942	1FE .....
912828EA4 .....	US Treasury Note .....	.....	.... 06/29/2006 ....	Shearson Lehman .....	.... X X X ....	..... 195,026	..... 200,000.00	..... 1,781	1FE .....
0399999 Subtotal - Bonds - U.S. Governments .....					.... X X X ....	..... 1,024,465	..... 1,050,000.00	..... 5,929	.... X X X ....
6099997 Subtotal - Bonds - Part 3 .....					.... X X X ....	..... 1,024,465	..... 1,050,000.00	..... 5,929	.... X X X ....
6099998 Summary Item for Bonds Bought and Sold This Quarter .....					.... X X X ....	.... X X X ....	.... X X X ....	.... X X X ....	.... X X X ....
6099999 Subtotal - Bonds .....					.... X X X ....	..... 1,024,465	..... 1,050,000.00	..... 5,929	.... X X X ....
6599998 Summary Item for Preferred Stock Bought and Sold This Quarter .....					.... X X X ....	.... X X X ....	.... X X X ....	.... X X X ....	.... X X X ....
7299998 Summary Item for Common Stock Bought and Sold This Quarter .....					.... X X X ....	.... X X X ....	.... X X X ....	.... X X X ....	.... X X X ....
7399999 Subtotal - Preferred and Common Stocks .....					.... X X X ....	..... X X X ....	.... X X X ....	..... X X X ....	.... X X X ....
7499999 Total - Bonds, Preferred and Common Stocks .....					.... X X X ....	..... 1,024,465	.... X X X ....	..... 5,929	.... X X X ....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

**SCHEDULE D - PART 4**  
**Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of**  
**by the Company During the Current Quarter**

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
3133X4AK7	Federal Home Loan		05/31/2006	Mellon Financial	X X X	244,561	250,000.00	250,025	250,000						250,000		(7,528)	(7,528)	2,089	11/27/2007	1FE
912828BW9	US Infi Index		06/29/2006	Shearson Lehman	X X X	200,349	190,000.00	201,458	203,655		(680)		(680)		202,975		(4,525)	(4,525)	1,900	01/15/2014	1FE
912828DB3	US Treasury Note		05/31/2006	Lehman Brothers	X X X	286,587	286,101.56	292,665	293,079		556		556		293,635		(7,533)	(7,533)	5,735	11/15/2009	1FE
0399999	Subtotal - Bonds - U.S. Governments				X X X	731,497	726,101.56	744,148	746,734		(124)		(124)		746,610		(19,586)	(19,586)	9,724	X X X	X X X
<b>Bonds - Political Subdivisions of States, Territories and Possessions</b>																					
512534CU0	Lakewood Michigan - Public Schools		05/01/2006	Matured	X X X	200,000	200,000.00	222,465	202,521		(2,521)		(2,521)		200,000				5,300	05/01/2006	1FE
2499999	Subtotal - Bonds - Political Subdivisions of States, Territories and Possessions				X X X	200,000	200,000.00	222,465	202,521		(2,521)		(2,521)		200,000				5,300	X X X	X X X
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
201615DR9	Comercial Credit		04/06/2006	Mellon Financial	X X X	92,993	90,000.00	106,635	95,333		(879)		(879)		94,454		(3,149)	(3,149)	1,688	07/01/2007	1FE
4599999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	92,993	90,000.00	106,635	95,333		(879)		(879)		94,454		(3,149)	(3,149)	1,688	X X X	X X X
6099997	Subtotal - Bonds - Part 4				X X X	1,024,490	1,016,101.56	1,073,248	1,044,588		(3,524)		(3,524)		1,041,064		(22,735)	(22,735)	16,712	X X X	X X X
6099998	Summary Item for Bonds Bought and Sold This Quarter				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
6099999	Subtotal - Bonds				X X X	1,024,490	1,016,101.56	1,073,248	1,044,588		(3,524)		(3,524)		1,041,064		(22,735)	(22,735)	16,712	X X X	X X X
<b>Preferred Stock - Industrial and Miscellaneous (Unaffiliated)</b>																					
313586844	FNMA		06/29/2006	Lehman Brothers	220,000	9,009	11,000.00	12,055	10,564		72		72		10,636		(1,616)	(1,616)	876	X X X	RP1L
6399999	Subtotal - Preferred Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	9,009	X X X	12,055	10,564		72		72		10,636		(1,616)	(1,616)	876	X X X	X X X
6599997	Subtotal - Preferred Stock - Part 4				X X X	9,009	X X X	12,055	10,564		72		72		10,636		(1,616)	(1,616)	876	X X X	X X X
6599998	Summary Item for Preferred Stock Bought and Sold This Quarter				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
6599999	Subtotal - Preferred Stock				X X X	9,009	X X X	12,055	10,564		72		72		10,636		(1,616)	(1,616)	876	X X X	X X X
7299998	Summary Item for Common Stock Bought and Sold This Quarter				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
7399999	Subtotal - Preferred and Common Stocks				X X X	9,009	X X X	12,055	10,564		72		72		10,636		(1,616)	(1,616)	876	X X X	X X X
7499999	Total - Bonds, Preferred and Common Stocks				X X X	1,033,499	X X X	1,085,303	1,055,152		(3,452)		(3,452)		1,051,700		(24,351)	(24,351)	17,588	X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....



**E06      Schedule DB Part A Section 1 ..... NONE**

**E06      Schedule DB Part B Section 1 ..... NONE**

**E07      Schedule DB Part C Section 1 ..... NONE**

**E07      Schedule DB Part D Section 1 ..... NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances									
1		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
						6	7	8	
Depository		Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
<b>open depositories</b>									
Comerica Bank, Grosse Pte. Woods, MI .....				712 .....		75,953 .....	75,939 .....	75,922 .....	X X X
Schwab, New York, NY .....				.....		217,846 .....	158,843 .....	254,017 .....	X X X
Comerica Bank, Grosse Pte. Woods, MI .....				9,885 .....		1,099,463 .....	1,102,819 .....	1,106,251 .....	X X X
Standard Federal Bank, Troy, MI .....				334,287 .....		25,910,397 .....	25,030,778 .....	25,677,310 .....	X X X
Standard Federal Bank, Troy, MI .....				42,851 .....		159,596 .....	174,482 .....	188,954 .....	X X X
Lehman Borthers Inc, 190 S. La Salle St., Chicago, IL 60603 .....				56,332 .....		133,473 .....	160,901 .....	175,960 .....	X X X
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories		X X X	X X X	.....	.....	.....	.....	.....	X X X
0199999 Totals - Open Depositories .....		X X X	X X X	444,067 .....	.....	27,596,728 .....	26,703,762 .....	27,478,415 .....	X X X
0299998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....		X X X	X X X	.....	.....	.....	.....	.....	X X X
0299999 Totals - Suspended Depositories .....		X X X	X X X	.....	.....	.....	.....	.....	X X X
0399999 Total Cash On Deposit .....		X X X	X X X	444,067 .....	.....	27,596,728 .....	26,703,762 .....	27,478,415 .....	X X X
0499999 Cash in Company's Office .....		X X X	X X X	X X X .....	X X X .....	300 .....	300 .....	300 .....	X X X
0599999 Total Cash .....		X X X	X X X	444,067 .....	.....	27,597,028 .....	26,704,062 .....	27,478,715 .....	X X X

**E09     Schedule E Part 2 Cash Equivalents ..... NONE**

**ACT     Actuarial Statement ..... NONE**

**AEP     Amended Explanation ..... NONE**

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